Federal Family Education Loan Program (FFELP)

Federal Stafford Loan Master Promissory Note (MPN)

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

Guarantor, Program, or Lender Identification

CALIFORNIA STUDENT AID COMMISSION/EDFUND

OMB No. 1845-0006
Form approved
Exp. date 07/31/2011

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW LOAN ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens a loan account. **What this means for you:** Your name, address, date of birth, and other information collected in this form will be used to verify your identity. You may also be asked to provide your driver's license or other identifying documents.

Borrower Information

Print using a dark ink ballpoint pen or type. Read the instructions on page 3 carefully.

1. Last Name	First Name	MI	2. Social Security Number
BROWN	DAVID	J	535-98-2253

3. Permanent Address (See instructions.)	4. Area Code/Telephone Number	5. Date of Birth (mm-dd-yyyy)
18221 NE 21ST STREET	(425) 221-9816	08/20/1985

City	State	Zip Code	6. Driver's License State and Number	7. E-mail Address
REDMOND	WA	98052-0000	State WA # BROWNDJ156N0	DAVID.BROWN2@EMAIL.WSU.ED

8. Lender Name	City	State	Zip Code	9. Lender Code, if known
CITIBANK ELT FOR SLC	SIOUX FALLS	SD	57117-6152	82687800

10. References: You must provide two separate adult references with different U.S. addresses who have known you for at least three years. The first reference should be a parent (if living) or legal guardian. Both references must be completed in full.

	A.	B.
Name	DON J BROWN	WES MAKINSTER
Permanent Address	18221 NE 21ST STREET	345 NW PARR DRIVE
City, State, Zip Code	REDMOND WA 98052-0000	PULLMAN WA 99163-0000
E-mail Address		
Area Code/Telephone Number	(425) 746-0614	(253) 332-9865
Relationship to Borrower	PARENT	FRIEND

11. Requested Loan Amount: I request a total amount of subsidized and/or unsubsidized loans under this MPN not to exceed the annual and aggregate loan limits authorized under the Higher Education Act of 1965, as amended. My school will notify me of the type(s) and amount(s) of loan(s) that I am eligible to borrow. I may cancel my loan or request a lower amount by contacting my lender or school. Additional information about my right to cancel a loan or request a lower amount is included in the Borrower's Rights and Responsibilities Statement and disclosure statements that have been or will be provided to me.

12. Interest Payments (Optional):

☐ If I receive any unsubsidized Federal Stafford Loan(s) under this MPN, I want to pay the interest on the loan(s) while I am in school.

Borrower Certifications and Authorizations

Read carefully before signing below.

13. Under penalty of perjury, I certify for any loan I receive under this MPN that:

A. The information I have provided on this MPN and as updated by me from time to time is true, complete, and correct to the best of my knowledge and belief and is made in good faith.

B. Loan proceeds will be used for authorized educational costs that I incur. I will immediately repay any loan proceeds that cannot be attributed to educational costs for attendance on at least a half-time basis at the school that certified my loan eligibility.

C. If I owe an overpayment on a Federal Perkins Loan, Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent (SMART) Grant, or Leveraging Educational Assistance Partnership Grant, I have made satisfactory arrangements with the holder to repay the amount owed.

D. If I am in default on any loan received under the Federal Perkins Loan Program (including NDSL loans), the Federal Direct Loan Program, or the Federal Family Education Loan Program ("FFELP" as defined in the Borrower's Rights and Responsibilities Statement), I have made satisfactory arrangements with the holder to repay the amount owed.

E. If I have been convicted of, or pled *nolo contendere* (no contest) or guilty to, a crime involving fraud in obtaining funds under Title IV of the Higher Education Act of 1965, as amended, I have completed the repayment of such funds to the U.S. Department of Education (the Department), or to the loan holder in the case of a Title IV federal student loan.

14. For all subsidized and unsubsidized Federal Stafford Loans (as described in the additional MPN provisions and the Borrower's Rights and Responsibilities Statement) I receive under this MPN, I make the following authorizations:

A. I authorize my school to certify my eligibility for loans under this MPN.

B. I authorize the lender, the guarantor, or their agents to investigate my credit record and report information concerning my loan status to persons and organizations permitted by law to receive such information.

C. I authorize my school to transfer loan proceeds received by electronic funds transfer (EFT) or master check to my student account at the school.

D. I authorize my school to pay to the lender any refund that may be due up to the full loan amount.

E. I request and authorize my lender to: **(i)** during the in-school and grace periods of any loans made under this MPN, defer and align the repayment of principal on all of my Federal Stafford Loans held by the lender that are in repayment status; and **(ii)** add the unpaid interest that accrues on any Federal Stafford Loan to the principal balance of the loan (capitalization) during forbearance periods and, for unsubsidized loans, during in-school, grace, and deferment periods as provided under the Act. Capitalization will increase the principal balance on my loan(s) and the total amount of interest I must pay.

F. I authorize the school, the lender, the guarantor, the Department, and their respective agents and contractors to contact me regarding my loan request(s) or my loan(s), including repayment of my loan(s), at the current or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

G. I authorize the release of information pertinent to my loan(s): **(i)** by the school(s), the lender, and the guarantor(s), or their agents to the references on the applicable loan(s) and to members of my immediate family unless I submit written directions otherwise; and **(ii)** by and among my school(s), lender(s), guarantor(s), the Department, and their agents.

H. To verify information I provide and so that the loan(s) requested can be approved, I authorize the Department to send any information about me that is under its control, including information from the Free Application for Federal Student Aid, to the school, to the lender, and to state agencies and nonprofit organizations that administer financial aid programs under the FFELP. I understand that information reported on this MPN may be shared with the Department, and that the Department has the authority to verify that information with other federal agencies.

Promise to Pay

In this MPN, "lender" refers to, and this MPN benefits, the original lender and its successors and assigns, including any subsequent holder of this MPN.

15. I promise to pay to the order of the lender all loan amounts disbursed (hereafter "loan" or "loans") under the terms of this MPN, plus interest and other charges and fees that may become due as provided in this MPN. **I understand that, if I qualify, more than one loan may be made to me under this MPN.** I understand that by accepting any disbursements issued at any time under this MPN, I agree to repay the loan(s). I understand that, within certain time frames, I may cancel or reduce the amount of any loan by refusing to accept or by returning all or a portion of any disbursement that is issued. Unless I make interest payments, interest that accrues on my unsubsidized loan(s) during in-school, grace, deferment, forbearance, and other periods may be added as provided under the Act to the principal balance of such loan(s). If I do not make any payment on any loan made under this MPN when it is due, I will also pay reasonable collection costs including, but not limited to, attorney fees, court costs, and other fees. I will not sign this MPN before reading the entire MPN, even if I am told not to read it, or told that I am not required to read it. I am entitled to a copy of this MPN and the Borrower's Rights and Responsibilities Statement. My signature certifies I have read, understand, and agree to the terms and conditions of this MPN, including the Borrower Certifications and Authorizations printed above, the Notice about Subsequent Loans Made under This MPN, and the Borrower's Rights and Responsibilities Statement.

I UNDERSTAND THAT I MAY RECEIVE ONE OR MORE LOANS UNDER THIS MPN AND THAT I MUST REPAY ALL LOANS THAT I RECEIVE UNDER THIS MPN.

E-SIGN TOKEN: stdata=535982253BR19850820&timestamp=2010-01-11 20.38.39.1&vas=0271&fullname=BROWN,DAVID,J&attempts=1&status=User Passed&e-signsource=G706

16. Borrower Signature ELECTRONIC SIGNATURE ON FILE **17. Today's Date (mm-dd-yyyy)** 01/11/2010

Additional MPN provisions follow

Federal Stafford Loan Master Promissory Note (MPN) *(continued)*

Governing Law

The terms of this MPN will be interpreted in accordance with the Higher Education Act of 1965, as amended (20 U.S.C. 1070 et seq.), the U.S. Department of Education's (the Department's) regulations, as they may be amended in accordance with their effective date, and other applicable federal statutes and regulations (collectively referred to as the "Act"), and the guarantor's policies. Applicable state law, except as preempted by federal law, may provide for certain borrower rights, remedies, and defenses in addition to those stated in this MPN.

Disclosure of Terms

This MPN applies to both subsidized and unsubsidized Federal Stafford Loans. Loans disbursed under this MPN are subject to the loan limits specified in the Act. Under this MPN, the principal amount that I owe, and am required to repay, will be the sum of all disbursements issued (unless I reduce or cancel any disbursements as provided below).

My lender will determine whether to make any loan under this MPN after my eligibility is determined by the school. At or before the time of the first disbursement for each loan, a disclosure statement will be provided to me identifying the amount of the loan and additional terms of the loan. Important additional information is also disclosed in the Borrower's Rights and Responsibilities Statement accompanying this MPN. The Borrower's Rights and Responsibilities Statement and any disclosure statement I receive in connection with any loan under this MPN are hereby incorporated into this MPN. If the information in this MPN conflicts with information in the disclosure, the specific terms and information in the disclosure apply to my loan.

I may request additional loan funds for my educational costs, up to the annual and aggregate loan limits as specified in the Act. The school will determine my eligibility and notify my lender. I will be notified of any increase or other change in the amount of my loan(s).

I agree that the lender may sell or assign this MPN and/or my loan(s) and acknowledge that any loan may be assigned independently of any other loan to which this MPN applies. I agree that each loan is separately enforceable based on a true and exact copy of this MPN. I understand that my lender may use a servicer to handle billing and other communications related to my loan.

Loan Cancellation

I may pay back all or a part of a disbursement within time frames set by the Act and explained in the Borrower's Rights and Responsibilities Statement or other disclosure I receive at or before disbursement. In such case, any origination fee and federal default fee will be reduced or eliminated in proportion to the amount of the disbursement returned. I will not incur interest charges if I return the full loan amount as provided in the Act.

Interest

Unless my lender notifies me in writing of a lower rate(s), the rate(s) of interest for my loan(s) is that specified in the Act. Interest rate information is presented in the Borrower's Rights and Responsibilities Statement accompanying this MPN. The interest rate for each loan is presented in a disclosure that is issued to me.

Interest accrues on the unpaid principal balance of each loan from the date of disbursement by the lender until the entire principal balance is paid in full. I agree to pay all interest charges on my subsidized Federal Stafford Loan(s) except interest payable by the federal government under the Act. I agree to pay all interest charges on my unsubsidized Federal Stafford Loan(s). If I do not make required payments of interest before the beginning or resumption of principal repayment, or during a period of authorized deferment or forbearance, I agree that the lender may capitalize such interest to the extent permitted by the Act.

Origination Fee and Federal Default Fee

An origination fee and a federal default fee may be charged for each loan made under this MPN. The Act specifies the maximum amount of each fee and authorizes both fees to be deducted from my loan amount. The fee(s) I am charged, as identified in the disclosure statement, will be deducted proportionately from each disbursement of my loan(s). I understand the origination and federal default fees may be refundable only to the extent permitted by the Act.

Late Charges and Collection Costs

The lender may collect from me: **(i)** a late charge for each late installment payment if I do not make any part of a required installment payment within 15 days after the date it becomes due, and **(ii)** any other charges and fees that are specifically permitted by the Act for the collection of my loan(s). If I default on any loan(s), I will pay reasonable collection fees and costs, plus court costs and attorney fees.

Repayment

I must repay the full amount of the loan(s) made under this MPN and accrued interest. Federal Stafford Loans have a repayment grace period, which will be disclosed in my disclosure statement. I will repay the principal of each loan in periodic installments during a repayment period that begins on the day immediately following the end of the 6-month grace period.

I understand that the school's certification of my loan eligibility determines whether my loans are subsidized and/or unsubsidized loans.

I will have a choice of repayment plans as provided in the Act. My repayment period for each loan generally lasts at least 5 years but may not exceed 10 years (except under an extended or income-based repayment plan). The maximum period for repaying a loan does not include periods of deferment or forbearance.

The lender will provide me with a repayment schedule that identifies my payment amounts and due dates. Except as otherwise provided in the Act, the minimum annual payment required on all my FFELP loans is $600 or the amount of interest due and payable, whichever is larger. Payments submitted by me or on my behalf (exclusive of refunds) may be applied first to charges and collection costs that are due, then to accrued interest that has not been capitalized, and finally to the principal amount, except during periods of repayment under an income-based repayment plan, when payments will be applied first to interest due, then to fees due, and then to the principal amount.

If I am unable to make my scheduled loan payments, the lender may allow me to reduce my payment amount, to extend the time for making payments, or to temporarily stop making payments as long as I intend to repay my loan(s). Allowing me to temporarily delay or reduce loan payments is called forbearance. The lender may align payment due dates on my loans or grant me a forbearance to eliminate a delinquency that persists even though I am making scheduled payments.

I may prepay all or any part of the unpaid balance on my loan(s) at any time without penalty. If I do not specify which loan(s) I am prepaying, the lender will determine how to apply the prepayment in accordance with the Act. Upon payment in full of each loan under this MPN, I agree to accept written notification of such loan payoff in place of receiving the original MPN.

Acceleration and Default

At the option of the lender, the entire unpaid balance of a loan made under this MPN will become immediately due and payable if any one of the following events occurs regarding that loan: **(i)** I do not enroll as at least a half-time student at the school that certified my loan eligibility, **(ii)** I do not use the proceeds of the loan solely for my educational costs, **(iii)** I make a false representation that results in my receiving a loan for which I am not eligible, or **(iv)** I default on the loan.

The following events will constitute a default on a loan: **(i)** I do not pay the entire unpaid balance of the applicable loan after the lender has exercised its option under items (i), (ii), or (iii) in the preceding paragraph; **(ii)** I do not make installment payments when due, provided my failure has persisted for at least 270 days for payments due monthly or 330 days for payments due less frequently than monthly; or **(iii)** I do not comply with other terms of the loan, and the lender or guarantor reasonably concludes I no longer intend to honor my repayment obligation. If I default, the guarantor may purchase my loan(s) and capitalize all outstanding interest into a new principal balance. The new principal balance and collection fees will become immediately due and payable.

If I default, the default will be reported to all national consumer reporting agencies and will significantly and adversely affect my credit history. I understand that a default will have additional adverse consequences to me as disclosed in the Borrower's Rights and Responsibilities Statement. Following default, the loan(s) may be subject to income-based or income-contingent repayment (including potential collection of amounts in excess of the principal and interest) in accordance with the Act.

Legal Notices

Any lender holding a loan made under this MPN is subject to all claims and defenses that I could assert against the school with respect to that loan if **(i)** the loan was made by the school or a school-affiliated organization, **(ii)** the lender who made the loan provided an improper inducement (as defined by the Act) to the school or to any other party in connection with the making of the loan, **(iii)** the school refers loan applicants to the lender, or **(iv)** the school is affiliated with the lender by common control, contract, or business arrangement. My recovery under this provision will not exceed the amount I paid on the loan.

Information about my loan(s) will be submitted to the National Student Loan Data System (NSLDS). Information in NSLDS is accessible to schools, lenders, and guarantors for specific purposes as authorized by the Department.

If I reside in the state in which the principal office of the guarantor is located, the guarantor may sue to enforce the applicable loan(s) in the county in which the guarantor's office is located. However, if I object to being sued there and I mail a written objection to the guarantor that is postmarked no later than 30 days after I am served with the suit, the guarantor will either have the court transfer the suit to the county in which I live or will dismiss the lawsuit.

Any notice required to be given to me will be effective if sent by first class mail to the latest address the lender has for me or by electronic means to an address that I have provided. I will immediately notify the lender of any change of address or status as specified in the Borrower's Rights and Responsibilities Statement. Failure by the lender to enforce or insist on compliance with any term of this MPN will not be a waiver of any right of the lender. No provision of this MPN may be modified or waived except in writing. If any provision of this MPN is determined to be unenforceable, the remaining provisions remain in force.

Notice about Subsequent Loans Made under This MPN

This MPN authorizes the lender to disburse multiple loans to pay my educational costs during the multi-year term of this MPN. Such loans will be made only upon my request and upon the school's certification of my loan eligibility. Subsequent loans may be made for the same or subsequent periods of enrollment at schools designated by the Secretary of the U.S. Department of Education.

I understand that no subsequent loan(s) will be made under this MPN after the earliest of the following dates: **(i)** the date my lender receives my written notice that no further loans may be disbursed under the MPN; **(ii)** one year after the date of my signature on this MPN if no disbursement is made during such twelve-month period; or **(iii)** ten years after either the date of my signature on this MPN, or the date the lender receives this MPN.

Any change to the Act applies to loans in accordance with the effective date of the change.

Federal Family Education Loan Program (FFELP)

Federal Stafford Loan Master Promissory Note (MPN) Instructions and Notices

Guarantor, Program, or Lender Identification

CALIFORNIA STUDENT AID COMMISSION/EDFUND

This is an MPN under which you may receive multiple subsidized and unsubsidized Federal Stafford Loans over a maximum 10-year period. Except for interest the federal government pays on your behalf on subsidized Federal Stafford Loans while you are in school, during your grace and deferment periods, and for a limited period during income-based repayment, you are responsible for paying the principal amount of your loan(s) and all interest that accrues from the date of disbursement until the loan(s) is paid in full.

Print using a dark ink ballpoint pen or type. Do not complete this form in pencil. If an item has been completed for you and it is incorrect, cross out the incorrect information and print the correct information. Enter dates as month-day-year (mm-dd-yyyy). Use only numbers. Example: June 24,1982 = 06-24-1982. Incorrect, incomplete, or illegible information may cause your loan to be delayed.

Item 1: Enter or correct your last name, first name, and middle initial.

Item 2: Enter or correct your Social Security Number. Your loan(s) cannot be processed without a Social Security Number. **Read the Privacy Act and Financial Privacy Act Notices in these instructions before completing this item.**

Item 3: Enter your permanent address (number, street, apartment number) or rural route number and box number, then city, state, and zip code. If your mailing address is a post office box or general delivery, you must list both your mailing address and your street address or your rural route number and box number. If you do not have a permanent street address or rural route number and box number, provide the physical location of your residence. A temporary school address is not acceptable.

Item 4: Enter the area code and telephone number at which you can most easily be reached. If you do not have a telephone, enter N/A.

Item 5: Enter the date of your birth. Be careful not to enter the current year.

Item 6: Enter the two-letter abbreviation for the state that issued your driver's license followed by the driver's license number. If you do not have a driver's license, enter N/A.

Item 7: Enter your preferred e-mail address for receiving communications. You are not required to provide this information. If you do, the lender or holder of your loan(s) may use your e-mail address to communicate with you. If you do not have an e-mail address or do not wish to provide it, enter N/A.

Item 8: Enter the name and address of the lender from which you wish to borrow. If you do not have a lender, contact the school's financial aid office, a bank or other financial institution, or the guarantor or program listed on this form for information on lenders willing to make Federal Stafford Loans.

Item 9: Enter the lender code, if known. Otherwise, leave this item blank.

Item 10: Enter reference information for two adults with different addresses who have known you for at least three years. The first reference should be a parent (if living), legal guardian, or an adult relative. References with addresses outside the U.S. are not acceptable. If a reference does not have a telephone number or e-mail address, or does not wish to provide an e-mail address, enter N/A. If you provide an e-mail address for a reference, the lender or holder of your loan(s) may use it to communicate with the reference. All items must be completed or your loan will be delayed.

Item 11: Each time you request Federal Stafford Loan funds, the school will notify you of the amount of funds you are eligible to borrow. You may decline a loan or request a lower amount by contacting your lender or the school. You should apply only for what you will need to pay your educational costs each year. Additional information is included under "Loan Cancellation" in the Borrower's Rights and Responsibilities Statement.

Item 12: Check this box only if you want to make interest payments while in school.

Items 13 and 14: ***Read these items carefully.***

Item 15: Read the entire MPN carefully. Then complete Items 16 and 17.

Item 16: Sign your legal name, including your first name, middle initial, and last name.

Item 17: Enter the date you are signing this MPN.

Important Notices

Privacy Act Notice

The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authority for collecting the requested information from and about you is §421 et seq. of the Higher Education Act (HEA) of 1965, as amended (20 U.S.C. 1071 et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the Federal Family Education Loan Program (FFELP) and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the FFELP, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report on your loan(s) if your loan(s) becomes delinquent or in default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loan(s), to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment status, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

Financial Privacy Act Notice

Under the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401-3421), the U.S. Department of Education will have access to financial records in your student loan file maintained by the lender in compliance with the administration of the Federal Family Education Loan Program.

Paperwork Reduction Notice

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0006. The time required to complete this information is estimated to average 0.75 hours (45 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:**

U.S. Department of Education
Washington, DC 20202-4537

If you have any comments or concerns regarding the status of your individual submission of this form, contact the lender, guarantor, or program identified in the upper right-hand corner of this form.

Borrower's Rights and Responsibilities Statement

Important Notice: *The Borrower's Rights and Responsibilities Statement provides additional information about the terms and conditions of loans you receive under the Federal Stafford Loan Master Promissory Note (MPN). Please keep a copy of this statement because it applies to present and subsequent loans received under the MPN. You may contact your lender at any time for another copy of this statement.*

The following types of loans are currently available under the Federal Family Education Loan Program (FFELP):

- Subsidized Federal Stafford Loan,
- Unsubsidized Federal Stafford Loan,
- Federal PLUS Loan,
- Federal Consolidation Loan.

The FFELP is authorized by Title IV, Part B of the Higher Education Act of 1965, as amended.

I must complete a Free Application for Federal Student Aid (FAFSA) before I receive a subsidized or unsubsidized Federal Stafford Loan.

1. Governing Law – Loans disbursed under this MPN are subject to the Higher Education Act of 1965, as amended (20 U.S.C. 1070 et seq.) and applicable U.S. Department of Education regulations (collectively referred to as the "Act"). **NOTE: Any change to the Act applies to loans in accordance with the effective date of the change.**

2. Use of This MPN – I may receive more than one loan under this MPN over a period not to exceed 10 years. I may receive loans under this MPN from the original lender or from a lender who assumes the right to offer loans under this MPN, even if I change schools and even if the guarantor changes. I may request in writing that no further loans be disbursed under my MPN. If I wish to use a new lender, I must sign a new MPN. I must also sign a new MPN before receiving a new loan if requested to do so by my lender.

3. Subsidized and Unsubsidized Loans – There are two types of Federal Stafford Loans that I may be eligible for under this MPN: subsidized and unsubsidized. The subsidized Federal Stafford Loan is based on need. If I qualify, the government pays the lender the interest due on my subsidized loans while I am in school at least half time and during grace and deferment periods ("lender" refers to the original lender and its successors, including any subsequent holder of this MPN). I am otherwise responsible for interest that accrues on my subsidized loan. The unsubsidized Federal Stafford Loan is not based on need. I am responsible for all interest that accrues on my unsubsidized loans.

4. Loan Limits – The charts on this page show the maximum Stafford Loan amounts (subsidized and unsubsidized) that I may borrow under the FFELP and the William D. Ford Federal Direct Loan (Direct Loan) Program combined for a single academic year (annual loan limits) and the maximum amounts I may borrow in total for undergraduate and graduate study (aggregate loan limits). The annual and aggregate loan limits for independent undergraduates also apply to dependent undergraduates whose parents are unable to borrow under the PLUS program. If I am enrolled in certain health professions programs, I may qualify for higher annual and aggregate loan limits on unsubsidized Federal Stafford Loans.

The actual loan amount I receive for an academic year may be less than the annual loan limits shown in the Federal Stafford Loan Annual Limits chart and will be determined by my school, based on my academic level (freshman, sophomore, etc.), dependency status, and other factors, such as:

- The length of the program or the remaining portion of the program in which I am enrolled, if it is less than a full academic year;
- My cost of attendance;
- My expected family contribution;
- Other financial aid I receive;
- My remaining eligibility under the annual and aggregate loan limits; and
- Other provisions authorized by the Act.

If I am an undergraduate student, my school must determine my eligibility for a Federal Pell Grant before I receive a Federal Stafford Loan. My school must determine my eligibility for a subsidized Federal Stafford Loan before determining my eligibility for an unsubsidized Federal Stafford Loan. If I do not qualify for a subsidized Federal Stafford Loan, I may receive up to the maximum annual loan limit in an unsubsidized Federal Stafford Loan.

If I have received federal student loans from more than one lender or from other federal student loan programs, I am responsible for informing my school and my lender(s) of my other student loans. In some cases, I may not be eligible for loans for which I have applied.

Federal Stafford Loan Annual Limits	
Dependent Undergraduates (*except* students whose parents are unable to borrow a PLUS loan)	
First Year Total (maximum $3,500 subsidized)	$5,500
Second Year Total (maximum $4,500 subsidized)	$6,500
Third Year and Beyond Total (each year) (maximum $5,500 subsidized)	$7,500
Independent Undergraduates (and dependent undergraduates whose parents are unable to borrow a PLUS loan)	
First Year Total (maximum $3,500 subsidized)	$9,500
Second Year Total (maximum $4,500 subsidized)	$10,500
Third Year and Beyond Total (each year) (maximum $5,500 subsidized)	$12,500
Graduate and Professional Students	
Total Amount (each year) (maximum $8,500 subsidized)	$20,500

Federal Stafford Loan Aggregate Limits	
Dependent Undergraduates (*except* students whose parents are unable to borrow a PLUS loan)	
Total Amount Cumulative (maximum $23,000 subsidized)	$31,000
Independent Undergraduates (and dependent undergraduates whose parents are unable to borrow a PLUS loan)	
Total Amount Cumulative (maximum $23,000 subsidized)	$57,500
Graduate and Professional Students	
Total Amount Cumulative (maximum $65,500 subsidized; includes Stafford Loans received for undergraduate study)	$138,500

5. Use of Loan Money – I must use the loan money for authorized educational costs incurred for attendance at the school that certified my eligibility for the time period shown on my disclosure statement. Authorized costs include the following:

- Tuition,
- Room,
- Board,
- School fees,
- Books,
- Supplies,
- Equipment,
- Dependent child care,
- Transportation,
- Commuting costs,
- Rental or purchase of a personal computer,
- Origination fee and federal default fee, and/or
- Other documented, authorized costs.

6. Loan Fees – I may be charged an origination fee and/or a federal default fee for each loan made under this MPN. Neither fee may exceed the rate specified in the Act. If I am charged these fees, they will be deducted proportionately from each disbursement.

7. Disbursement of Loan Money – My loan money will be disbursed to the school by electronic funds transfer (EFT), master check (one check covering multiple students), or individual check. If my loan money is disbursed by individual check, the check will be sent to the school and may be copayable to me and the school or payable to me.

Generally, my loan money will be disbursed in multiple installments based on the academic terms at my school. If my school does not have academic terms or does not have academic terms that meet certain requirements, my loan money will generally be disbursed in at least two installments, one at the beginning and one at the midpoint of my enrollment period for the applicable loan.

If my loan money exceeds the amount owed to the school, my school will forward the remainder of my loan money to me, unless I authorize the school to hold the remainder as a credit balance.

If I am enrolled in a study-abroad program through a school in the U.S. (home school), the loan money will be disbursed to my home school or, if I request, directly to me. I may provide the home school a written authorization designating an individual not affiliated with the home school as my power-of-attorney to negotiate any loan disbursements on my behalf.

If I am enrolled in a foreign school, my loan money will be disbursed to the foreign school or, if the foreign school requests, directly to me.

If this is my first Stafford Loan under either the FFELP or the Federal Direct Loan Program, I must receive entrance counseling before my school delivers the first disbursement of my subsidized or unsubsidized Federal Stafford Loan.

8. Change of Status – I must notify my school and/or lender or any subsequent holder of my loan(s) of certain changes.

I must notify my school's financial aid office if any of the following occurs:
- I reduce my enrollment status to less than half time,
- I withdraw from school,
- I stop attending classes,
- I do not re-enroll for any term,
- I have a change in my expected graduation date, and/or
- I change my name, local address, permanent address, or e-mail address.

Shortly before my enrollment ends, I must participate in exit counseling with my school, during which I will update my loan records about my:
- Permanent address,
- E-mail address,
- Telephone number,
- Future employer, and
- References.

I must notify the lender of a particular loan if I do not enroll with respect to such loan:
- At least half time for the loan period certified, or
- At the school that certified my eligibility.

I must notify my lender or any subsequent holder of my loan(s) if any of the following occurs before my loan(s) is repaid:
- I change my address, telephone number, or e-mail address,
- I change my name (for example, maiden name to married name),
- I withdraw from school or begin attending less than half time,
- I transfer to another school,
- I change my employer or my employer's address or telephone number changes, and/or
- I have any other change in status that would affect my loan (for example, the loss of eligibility for an unemployment deferment by obtaining a job).

9. Effect of Federal Loans on Other Student Aid – Receipt of a Federal Stafford Loan may affect my eligibility for other financial aid. Therefore, it may be beneficial to contact my school to discuss other types of student assistance that may be available.

10. Grace Period – I will receive a 6-month grace period before the first payment of my Federal Stafford Loan must be made. The grace period begins the day after I cease to be enrolled at least half time at an eligible school.

My grace period does not include any period of up to 3 years during which I am called or ordered to active duty for more than 30 days from a reserve component of the Armed Forces of the United States, including the period necessary for me to resume enrollment at the next available regular enrollment period.

11. Interest Rates – The interest rate on a Federal Stafford Loan (subsidized or unsubsidized) will be a fixed rate. Different fixed interest rates may apply to separate loans made under this MPN depending on whether the loan is subsidized or unsubsidized, when the loan is first disbursed, and whether I am an undergraduate or graduate student. The actual interest rate applicable to each of my loans will be disclosed to me. After reviewing the actual interest rate, I may cancel or reduce any loan obtained under this MPN in accordance with the "Loan Cancellation" section of this Borrower's Rights and Responsibilities Statement. If I qualify under the Servicemembers Civil Relief Act, the interest rate on my loans obtained prior to military service may be limited to 6% during my military service. To receive this benefit, I must contact my loan holder for information about the documentation I must provide to show that I qualify.

12. Payment of Interest – I am responsible for payment of all interest that accrues on the unpaid principal amount of my Federal Stafford Loan(s) from the date of disbursement until the loan(s) is paid in full, except for interest on my subsidized Federal Stafford Loan(s) the government pays on my behalf while I am in school at least half time, for up to 3 years during active-duty service in the Armed Forces as described in the "Grace Period" section of this Borrower's Rights and Responsibilities Statement, during the grace period after I leave school, during any period of authorized deferment, or (effective July 1, 2009) for a limited period during income-based repayment if I choose that plan and am eligible for that plan.

My lender will, during the in-school, grace, and deferment periods and during any periods in which I am on active-duty military service, defer and align principal payments on my subsidized and unsubsidized Federal Stafford Loans.

Interest that accrues on all my subsidized FFELP loans during authorized forbearance periods, and on all my unsubsidized FFELP loans during periods when I am not making regularly scheduled payments (for example, during deferment) may, unless precluded by the Act, be capitalized (added to the principal of my loans) — unless I pay the interest as it accrues. If I inform my lender that I wish to pay interest as it accrues (for example, during an in-school deferment), but I do not submit the payments, my lender may capitalize that interest. Capitalized interest increases the principal balance of my loan(s) and the total amount of interest I must pay.

Interest will be capitalized on my loan(s) as provided under the Act. Generally, capitalization may occur no more frequently than quarterly. However, interest that accrues on my unsubsidized Federal Stafford Loan(s) during in-school, grace, or deferment periods may only be capitalized at the end of such periods. In addition, interest may not be capitalized if my lender grants an administrative forbearance for up to 60 days in order to collect and process documentation supporting my request for a deferment, forbearance, change in repayment plan, or consolidation. See the "Interest Capitalization" section of this Borrower's Rights and Responsibilities Statement for further information on capitalization.

The charts entitled "Repaying Your Loans" at the end of the Borrower's Rights and Responsibilities Statement allow me to estimate the cost of capitalization and the effect it will have on my monthly payments. If my loan amount is not shown on the charts, I understand I must add two or more amounts together to estimate more closely my monthly interest and my monthly payment.

I may be able to claim a federal income tax deduction for interest payments I make on my FFELP loans. For further information, I may refer to IRS Publication 970, available at http://www.irs.gov.

13. Interest Capitalization – Capitalization is a process whereby a lender adds unpaid interest to the principal balance of a loan.

If I do not pay the interest that is due on my Federal Stafford Loan(s) as described in the "Subsidized and Unsubsidized Loans" section of this Borrower's Rights and Responsibilities Statement, my lender may capitalize that interest as provided under the Act.

The principal balance of my loan(s) will increase each time my lender capitalizes unpaid interest. As a result, I will pay more interest over the life of my loan(s) than if I paid the interest as it accrued, and my monthly payment amount may be higher or more monthly payments may be required.

I should contact my lender if I have any questions or need more information.

The chart below compares the monthly payments that result for subsidized or unsubsidized Federal Stafford Loans in forbearance status when the borrower pays accrued interest and when the interest is capitalized. This example uses a fixed interest rate of 6.8% and an outstanding loan balance of $15,000. The interest capitalized in this example is based on capitalization at the end of a 12-month forbearance period and is an estimate only. Actual interest capitalized for a period of forbearance will depend on the frequency of capitalization. The final payment may be more or less than the calculated monthly payment. In this example, I would pay $11 less per month and $389 less over the lifetime of my loans when I pay the interest as it is charged during a 12-month forbearance period.

	When I pay accrued interest	**When I don't pay accrued interest and it is capitalized**
Loan principal	$15,000	$15,000
Interest for 12 months (at an interest rate of 6.8%)	$1,020 (paid as accrued)	$1,020 (unpaid and capitalized)
Principal to be repaid	$15,000	$16,020
Monthly payment amount (standard repayment plan)	$173	$184
Number of payments	120	120
Total amount repaid	$21,734	$22,123

14. Loan Cancellation – I understand that the terms of a full or partial loan cancellation depend on when I request the cancellation.
- At any time before my loan money is disbursed, I may decline all or part of my loan money by notifying my lender or the school. No origination fee, federal default fee, or interest will be charged on the loan amount that I decline.
- If my school receives the money by EFT or master check and has obtained my written confirmation of the types and amounts of federal student loans that I want to receive before crediting the loan funds to my account, I may cancel all or a part of that loan by informing the school within 14 days after the date the school notifies me of my right to cancel the loan, or by the first day of the school's payment period, whichever is later. (My school can tell me the first day of the payment period.) If my school has not obtained

my written confirmation of the loans I want to receive, I may cancel all or a part of the loan by informing the school within 30 days of the date the school notifies me of my right to cancel the loan. If I cancel all or a portion of a loan as described in this paragraph, my school will return the cancelled amount to my lender, and the loan fees will be eliminated or reduced in proportion to the amount returned.

- At any time within 120 days of disbursement, I may pay back all or a part of my loan. The loan fees will be reduced or eliminated in proportion to the amount returned.

15. Repayment – All loans made under this MPN must be repaid.

The repayment period for each loan made under this MPN begins the day after my 6-month grace period on that loan ends. My lender will notify me of the date my first payment is due.

I am obligated to make payments on my loan(s) even if I do not receive a billing statement or repayment notice. My minimum annual payment required on all my FFELP loans will not, unless the lender otherwise agrees, be less than $600, except during a portion of the repayment period as provided in a graduated or income-sensitive repayment plan, in an extended repayment plan with graduated payments, or in an income-based repayment plan. Notwithstanding the preceding sentence, my minimum annual scheduled payments will not be less than the amount of interest due and payable, except as provided under an income-based repayment plan.

My repayment period for each loan generally lasts at least 5 years but may not exceed 10 years from the day after the grace period ends (except under an extended or income-based repayment plan). The maximum period for repaying a loan does not include periods of deferment or forbearance.

I will be given the opportunity to choose one of the following repayment plans:

- **Standard Repayment Plan** – If I choose this plan, I will make fixed monthly payments and repay my loan(s) in full within 10 years from the date the loan(s) entered repayment. Payments must be at least $50 a month and will be more if necessary to repay the loan(s) within the required time period.
- **Graduated Repayment Plan** – If I choose this plan, I will usually make lower monthly payments at first, and my payments will increase over time. No single payment will be more than three times greater than any other payment. I will repay my loan(s) in full within 10 years from the date the loan(s) entered repayment.
- **Extended Repayment Plan** – If I choose this plan, I will make monthly payments based on fixed annual or graduated repayment amounts over a period not to exceed 25 years. If I make fixed payments, payments must be at least $50 a month and will be more if necessary to repay the loan(s) within the required time period. I am only eligible for this plan if **(i)** at the time I obtain a loan under this MPN I have no outstanding balance on a FFELP loan made before October 7, 1998, and **(ii)** I accumulate outstanding FFELP loans exceeding $30,000.
- **Income-Sensitive Repayment Plan** – If I choose this plan, my monthly payments will be adjusted annually, based on my expected total monthly gross income from all sources. I may call my lender at any time for more information about this repayment plan option.
- **Income-Based Repayment Plan** (effective July 1, 2009) – If I choose this plan, my required monthly payment amount will be based on my income during any period when I have a partial financial hardship. My monthly payment amount may be adjusted annually. The maximum repayment period under this plan may exceed 10 years. If I choose this plan and meet certain requirements over a 25-year period, I may qualify for cancellation of any outstanding balance on my loans. I may contact my lender at any time for more information about this repayment plan.

Under each plan, the number or amount of the payments may need to be adjusted to reflect capitalized interest and/or new loans made to me.

These repayment plans will be explained in more detail during my exit counseling session. If I do not choose an income-sensitive, income-based, graduated, or extended repayment plan within 45 days after notification of my repayment choices, or if I choose an income-sensitive repayment plan but do not provide the required documentation within the lender-specified time frame, my lender will require that I repay the loan(s) under a standard repayment plan. If I choose an income-based repayment plan but do not provide the required documentation within the time frame specified by the lender, I will be required to repay the loan(s) under a schedule provided by the lender in accordance with the Act. I may change the repayment plan on my loan(s) once a year, except I may end an income-based repayment plan at any time to repay under the standard repayment plan.

There will be no penalty for prepaying any portion of my loan(s).

Except as provided by the Act for payments made under the income-based repayment plan, all payments and prepayments may be applied in the following order: late charges, fees, and collection costs authorized by the Act first, outstanding accrued interest second, and outstanding principal last.

If I do not make any part of an installment payment within 15 days after if becomes due, I may owe a late charge. This charge may not exceed six cents for each dollar of each late installment.

16. Sale or Transfer of Loan(s) – The lender may sell or otherwise transfer one or all of my loans without my consent. If ownership of a loan is transferred and the entity to which I must make payments changes, I will be notified of that entity's name, address and telephone number, the effective date of the sale or transfer, and the date when I must begin sending payments to that entity. Sale or transfer of my loan(s) does not affect my rights and responsibilities under such loan(s). If the lender sells my loan(s) to another originating lender, the lender may also transfer the right to offer subsequent loans under the MPN to such purchaser. I always have the right to terminate a lender's ability to make loans to me under this MPN by written notice to the lender that holds my MPN. The holder of my loan(s) can help me identify the lender that holds my MPN.

17. Loan Discharge – My loan(s) will be discharged if acceptable documentation of my death is submitted to my lender.

My loan(s) may also be discharged if I become totally and permanently disabled as defined by the Act and meet certain other requirements.

My loan(s) will not automatically be discharged in bankruptcy. To discharge a loan(s) in bankruptcy, I must prove undue hardship in an adversary proceeding before the bankruptcy court.

In certain cases, the Act provides for loan discharge if I could not complete a course of study because the school closed, if my loan eligibility was falsely certified by the school, or if a loan in my name was falsely certified as a result of a crime of identity theft. The Act also provides for loan discharge in the amount of any required refund that the school did not make to my loan holder on my behalf.

Neither the lender, the guarantor, nor the Department of Education vouches for the quality or suitability of the academic programs offered by participating schools. Unless I qualify for loan discharge under the Act, I must repay the loan(s) even if I do not complete the education paid for with the loan(s), am unable to obtain employment in the field of study for which the school provided training, or am dissatisfied with, or do not receive, the education paid for with the loan(s).

For additional information, I should contact my lender or guarantor.

18. Consequences of Default – Default is defined in detail in my MPN. If I default, the entire unpaid balance and collection fees on the applicable loan(s) will become immediately due and payable. Failure to repay any loan made under this MPN may result in any or all of the following:

- Loss of federal and state income tax refunds,
- Loss of other federal or state payments,
- Legal action against me,
- Collection charges (including attorney fees) assessed against me,
- Denial or loss of a professional license,
- An increase in my interest rate,
- Loss of eligibility for other student aid and assistance under most federal benefit programs,
- Loss of eligibility for loan deferments,
- Negative credit reports to consumer reporting agencies,
- Assignment of my loan to the Department, and/or
- My employer withholding part of my wages to give to my guarantor or the Department (administrative wage garnishment).

19. Consumer Reporting Agency Notification – Information concerning the amount, disbursement, and repayment status (current or delinquent) of my loan(s) will be reported by my lender to national consumer reporting agencies on a regular basis. My loan(s) will be identified as an education loan(s). If I default on any loan(s) made under this MPN, the default will also be reported by the guarantor to all national consumer reporting agencies. Before any guarantor reports such a default, it will give me at least 30 days notice that default information will be disclosed to the consumer reporting agencies unless I enter into a repayment arrangement within 30 days of the date on the notice. The guarantor will give me a chance to ask for a review of the debt(s) before the default is reported. My lender or guarantor, as applicable, must provide a timely response to a request from any consumer reporting agency regarding objections I might raise with that agency about the accuracy and completeness of information reported by the lender or guarantor.

20. Special Repayment Arrangements – A Federal Consolidation Loan Program is available under which I may consolidate federal education loans received from different lenders, the same lender, and/or under different federal education loan programs into one loan. Depending on the amount I borrow, this program may result in an extension of my repayment period. Consolidation permits multiple debts to be combined into one monthly payment. For additional information, I should contact my lender or guarantor.

I may consolidate my FFELP loan(s) into the Direct Loan Program to take advantage of the public service loan forgiveness program. This program provides for the cancellation of the remaining balance due on eligible Direct Loan Program loans after I have made 120 payments (after October 1, 2007) on those loans under certain repayment plans while employed in certain public service jobs.

I may also consolidate my FFELP loans first disbursed on or after October 1, 2008 (including Federal Consolidation Loans that repaid FFELP or Direct Loan Program loans first disbursed on or after October 1, 2008) into the Direct Loan Program to take advantage of the no accrual of interest benefit for active duty service members. No interest will be charged on the portion of my Direct Consolidation Loan that repaid FFELP or Direct Loan Program loans first disbursed on or after October 1, 2008 during periods of qualifying active duty military service (for up to 60 months).

The Act may provide for certain loan forgiveness or repayment benefits on my loans in addition to the benefits described in this MPN. If other forgiveness or repayment options become available, my loan holder will provide information about these benefits.

In addition, volunteers who complete service in an approved national or community service project can earn an educational award. The award can be used to repay a Federal Stafford Loan. If I receive an educational award, I am responsible for providing my lender with information and documentation regarding my term of service and the award.

Other agencies of the federal government may also offer student loan repayment programs as an incentive to recruit and retain employees. I should contact the agency's human resources department for more information.

Under certain circumstances, military personnel may have their federal education loan(s) repaid by the Secretary of Defense. I should address any questions to the local service recruiter. This is a recruiting program and does not pertain to prior service individuals or those not eligible for enlistment in the Armed Forces.

If I did not have an outstanding balance on a FFEL or Direct Loan Program loan on October 1, 1998, or if I did not have an outstanding balance on the date I obtained a loan after October 1, 1998, I may be eligible for teacher loan forgiveness. The Department of Education will repay a fixed amount of my subsidized and unsubsidized Federal Stafford loans if I have worked as a full-time teacher for five consecutive school years, and if I meet all other eligibility requirements under the Act. If I am in default on a FFELP loan or a Direct loan, I am not eligible for forgiveness on that loan(s) unless I have made satisfactory repayment arrangements.

21. Deferments – Under certain circumstances, I have a right to defer (postpone) repayment. The types of deferments that are available to me generally depend on when I first obtained a FFELP loan. Upon request, my lender will provide me with information about the eligibility requirements for each deferment. If I am in default on a loan, I am not eligible for a deferment on that loan.

Deferment of repayment for loans made under this MPN is available while I am:

- Enrolled at least half time at an eligible school,
- Engaged in a full-time course of study in a graduate fellowship program,
- Engaged in a full-time rehabilitation training program for individuals with disabilities (if the program is approved by the Department of Education),
- Conscientiously seeking, but unable to find, full-time employment (for up to three years),
- Experiencing an economic hardship as determined by federal law (for up to three years),
- Serving on active duty during a war or other military operation or national emergency or performing qualifying National Guard duty during a war or other military operation or national emergency and, if I was serving on or after October 1, 2007, for an additional 180-day period following the demobilization date for my qualifying service, or
- If I am a member of the National Guard or other reserve component of the U.S. Armed Forces (current or retired) and I am called or ordered to active duty while I am enrolled at least half time at an eligible school or within 6 months of having been enrolled at least half time, a deferment is available during the 13 months following the conclusion of my active duty service, or until I return to enrolled student status on at least a half-time basis, whichever is earlier.

For in-school deferments, my lender will process the deferment based on **(i)** my request along with documentation verifying my eligibility, or **(ii)** the lender's receipt of a school certification of eligibility in connection with a new loan, or **(iii)** the lender's receipt of student status information indicating that I am enrolled on at least a half-time basis. If my lender processes a deferment based on **(ii)** or **(iii)**, I will be notified of the deferment and will have the option of canceling the deferment and continuing to make payments on my loans.

For all other deferments, I must provide my lender with a deferment request (or, for a deferment based on active duty or qualifying National Guard duty during a war or other military operation or national emergency, a representative may request the deferment on my behalf). I must also provide information and documentation that establishes my eligibility, except in certain circumstances when my lender may establish my eligibility by confirming that I have received a deferment on another FFELP loan or on a Direct Loan.

NOTE: If at the time I obtain a loan under this MPN I have an outstanding balance on a FFELP loan disbursed before July 1, 1993, information on deferment conditions that apply will be found in my earlier promissory note materials.

22. Forbearance – If I am unable to make any scheduled loan payment(s), the lender may allow me to reduce my payment amount, to extend the time for making payments, or to temporarily stop making payments as long as I intend to repay my loan(s). Allowing me to temporarily delay or reduce loan payments is called a forbearance. Interest continues to accrue during a forbearance period.

The lender may grant me forbearance due to poor health or other acceptable reasons.

My lender is generally not required to grant a forbearance and may require me to provide my reasons for the request and other information.

The lender may grant me a forbearance to eliminate a delinquency that persists even though I am making scheduled installment payments. My lender may grant me an administrative forbearance for up to 60 days in order to collect and process documentation supporting my request for a deferment, forbearance, change in repayment plan, consolidation, or discharge.

Circumstances that require my lender to grant me a forbearance, if I provide appropriate documentation, include:

- Serving in a medical or dental internship or residency program, if I meet certain criteria.
- Serving in a national service position for which I receive a national service education award under the National and Community Service Trust Act of 1993. In some cases, the interest that accrues on a qualified loan during the service period will be paid by the Corporation for National and Community Service.
- Qualifying for partial repayment of my loans under the Student Loan Repayment Program, as administered by the Department of Defense.
- Qualifying for loan forgiveness under the Teacher Loan Forgiveness Program, if I meet certain criteria (for up to five years).
- Having a monthly debt burden for Title IV loans that collectively equals or exceeds 20% of my total monthly gross income (for up to three years).
- Being called to active duty in the U.S. Armed Forces.

For additional information, I should contact my lender.

Repayment information follows

Follow these steps to estimate your loan payment.

Step 1: Calculate Your Monthly Interest Charges

Round your Federal Stafford Loan balance up to the nearest $500. If your loan amount is not on the table, follow the example below to estimate your monthly accrued interest.

Example:
Federal Stafford Loan of $5,479 at 6.8% interest.
Round up to nearest $500 = $5,500.

$5,000 = $28.33/month
+ 500 = 2.83/month
$5,500 = $31.16/month

Your monthly interest $ _____.

Approximate Monthly Interest

Loan Amount	6.80%	6.00%	5.00%	4.00%	3.40%
$ 500	$ 2.83	$ 2.50	$ 2.08	$ 1.67	$ 1.42
$ 1,000	$ 5.67	$ 5.00	$ 4.17	$ 3.33	$ 2.83
$ 3,000	$ 17.00	$ 15.00	$ 12.50	$ 10.00	$ 8.50
$ 5,000	$ 28.33	$ 25.00	$ 20.83	$ 16.67	$ 14.17
$ 6,000	$ 34.00	$ 30.00	$ 25.00	$ 20.00	$ 17.00
$ 7,000	$ 39.67	$ 35.00	$ 29.17	$ 23.33	$ 19.83
$ 9,000	$ 51.00	$ 45.00	$ 37.50	$ 30.00	$ 25.50
$10,000	$ 56.67	$ 50.00	$ 41.67	$ 33.34	$ 28.34
$15,000	$ 85.00	$ 75.00	$ 62.50	$ 50.00	$ 42.50
$20,000	$113.33	$100.00	$ 83.33	$ 66.67	$ 56.67
$25,000	$141.67	$125.00	$104.17	$ 83.33	$ 70.83

Step 2: Estimate Your Capitalized Interest

Complete this step only if you will not pay accrued interest for which you are responsible on a Federal Stafford Loan. ***This is an estimate only.*** Actual interest capitalized will depend on factors such as disbursement dates, number of disbursements, and the frequency of capitalization.

	Monthly Interest (From Step One)		Number of Months in Deferment or Forbearance		Estimate of Capitalized Interest
Example	$ 31.16	X	22	=	$ 685.52
Your capitalized interest	$ _____	X	_____	=	$ _____

Step 3: Estimate Your Monthly Payment

Round your loan balance up to the nearest $500. If your principal amount is not on the table, follow the example below to estimate your monthly payment. If you previously had interest capitalized, add it to the outstanding loan amount to get the new principal amount.

Example:
Federal Stafford Loan of $6,185.52 ($5,500 + $685.52) at 6.8% interest.
Round up to nearest $500 = $6,500.

$6,000 = $69.05/month
+ 500 = 5.75/month
$6,500 = $74.80/month

Estimated monthly payment = $74.80

Note: Minimum monthly payment = $50 or amount of interest accruing each month.

Estimated Monthly Payments (10-Year Term)

Loan Amount	6.80%	6.00%	5.00%	4.00%	3.40%
$ 500	$ 5.75	$ 5.55	$ 5.30	$ 5.06	$ 4.92
$ 1,000	$ 11.51	$ 11.10	$ 10.61	$ 10.12	$ 9.84
$ 3,000	$ 34.52	$ 33.31	$ 31.82	$ 30.37	$ 29.53
$ 5,000	$ 57.54	$ 55.51	$ 53.03	$ 50.62	$ 49.21
$ 6,000	$ 69.05	$ 66.61	$ 63.64	$ 60.75	$ 59.05
$ 7,000	$ 80.56	$ 77.71	$ 74.25	$ 70.87	$ 68.89
$ 9,000	$103.57	$ 99.92	$ 95.46	$ 91.12	$ 88.58
$10,000	$115.08	$111.02	$106.07	$101.25	$ 98.42
$15,000	$172.62	$166.53	$159.10	$151.87	$147.62
$20,000	$230.16	$222.04	$212.13	$202.49	$196.84
$25,000	$287.70	$277.55	$265.16	$253.11	$246.05

	Loan Amount		Estimate of Capitalized Interest (From Step Two)		New Principal Balance	Estimated Monthly Payment
Example	$ 5,500	+	$ 685.52	=	$ 6,185.52	$ 74.80
Your Monthly Payment	$ _____	+	$ _____	=	$ _____	$ _____